



**KATHLEEN
McGUINNESS
DELAWARE
STATE AUDITOR**

*Department of Insurance Improper Activities of
Controller Investigation*

What Was Performed? An investigation of the Department of Insurance Improper Activities of Controller was performed.

Why This Engagement? The Office of Auditor of Accounts received a request from the Chief of Staff at Department of Insurance to perform an investigation on the Controller of the Finance Division. The Controller is the top-ranking fiscal position at the Department of Insurance that provides total fiscal control of the Department's financial resources

What Was Found: The Office of Auditor of Accounts found an overall lack of controls in the Department of Insurance. The Controller violated a number of provisions of the State of Delaware Budget and Accounting Manual which significantly increased the Department's risk of misuse and misappropriation.

Recommendations: The Office of Auditor of Accounts recommends that the Department of Insurance should review and implement controls and processes to mitigate risk of collusion by the Controller, ensure compliance with laws and regulations, and have the Agency Head review those controls on an ongoing basis to ensure they are working effectively.

The Department of Insurance Improper Activities of Controller Investigation can be found on our website: [click here.](#)

Please do not reply to this email. For any questions regarding the attached report, please contact State Auditor Kathy McGuinness at 302-739-5055 or Kathleen.Mcguinness@delaware.gov

The complete report can be found on our website: auditor.delaware.gov

For more information, contact: State Auditor Kathy McGuinness – kathleen.mcguinness@delaware.gov – (302) 739-5055